NORTH DAKOTA

UNDERGROUND INJECTION CONTROL PROGRAM (1422) DESCRIPTION

North Dakota Industrial Commission

Department of Mineral Resources

Oil and Gas Division

I. INTRODUCTION

As mandated by the Safe Drinking Water Act of 1974 (as amended), the United States Environmental Protection Agency (EPA) has promulgated regulations establishing minimum requirements, technical criteria, and standards for effective state Underground Injection Control (UIC) programs to protect underground sources of drinking water (USDW). Under these regulations, the state of North Dakota received program implementation primacy in 1984, and has since operated in an EPA-approved UIC program.

On December 10, 2010 EPA finalized minimum federal requirements under the Safe Drinking Water Act (SDWA) for underground injection of Carbon Dioxide (CO₂) establishing a new class of injection wells, Class VI. The Class VI rule is based on UIC regulatory framework, with modifications to address the unique nature of CO₂ injection. The purpose for the Class VI rule is to ensure that geologic storage of CO₂ is conducted in a manner that protects USDWs.

In order to gain primacy enforcement responsibility for Class VI injection wells, North Dakota must demonstrate to the EPA that its UIC program is at least as stringent as the federal standards. As a result of meeting the federal stringency standard, chapter 43-05-01 of the North Dakota Administrative Code (NDAC) has been amended and the 1422 UIC program description has been revised to include Class VI injection wells.

This revised program description incorporates changes as required in the amended federal regulations, but does not change the lead agency program administration status, nor the original intent of the UIC program. This program description is a revision of the existing North Dakota section 1422 UIC program with the intent to administer a Class VI program. Jurisdiction of Class VI injection wells will be administered by the North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas Division (Commission). This revision of the program description is for the sole purpose of adding Class VI injection wells to the North Dakota section 1422 UIC program.

II. OVERVIEW OF THE STATE UIC PROGRAM

The UIC program is considered to be an important part of the overall State Groundwater Protection Strategy. With increasing groundwater demands and the impacts of energy development on groundwater, the control of subsurface injections is considered to be vital to maintaining the quality of the state's groundwater resources and to protect USDWs.

It is anticipated that during the first two years of the state Class VI program, that one permit application will be submitted to the Commission. The success of any proposed geological storage project in North Dakota will be based on the protection of USDWs, meeting all permitting requirements, and complying with all state statutes and administrative rules. Permit applications and interest in underground storage of carbon dioxide is expected to increase as a result of broadened regulatory authority, increased energy production, potential use of carbon dioxide for enhanced recovery of oil and gas, and a response to more stringent regulations governing carbon dioxide emissions to the atmosphere which would make underground injection a more attractive method to the reduction of anthropogenic related carbon dioxide emissions.

It is in the public interest to promote the geologic storage of carbon dioxide. Doing so will benefit the state and the global environment by reducing greenhouse gas emissions. Doing so will help ensure the viability of the state's coal and power industries, to the economic benefit of North Dakota and its citizens. Further, geologic storage of carbon dioxide, a potentially valuable commodity, may allow for its ready availability if needed for commercial, industrial, or other uses, including enhanced recovery of oil, gas, and other minerals. Geologic storage, however, to be practical and effective requires cooperative use of surface and subsurface property interests and the collaboration of property owners. Obtaining consent from all owners may not be feasible, requiring procedures that promote, in a manner fair to all interests, cooperative management, thereby ensuring the maximum use of natural resources.

The Commission has statutory authority to regulate Class VI injection well activities under chapter 38-22 of the North Dakota Century Code (NDCC) and chapter 43-05-01 of the NDAC. In addition, the Commission operates an EPA-approved 1425 UIC program regulating Class II injection well activities under NDAC 43-02-05. The Commission receives a separate program grant from the EPA to administer the 1425 program. Should funding become available for Class VI injection well activities the EPA will provide additional funding to the Commission to administer the Class VI program. The lead agency for the North Dakota 1422 UIC program is the Department of Health, Division of Water Quality. As the lead agency the Department of Health receives the annual program grant for Class I, IV, and V activities, as designated by the Governor of the state, is also the lead agency to coordinate the state program. The North Dakota Geological Survey has authority over all Class III injection well activities. Each state agency is responsible for administering the state program for the injection wells under its jurisdiction including, but not limited to, reports, permits, monitoring, compliance, and

enforcement actions. The Commission will consult with the state Department of Health before issuing a Class VI permit.

The primary focus of the UIC program, promulgated under the authority of the Safe Drinking Water Act, is to protect underground sources of drinking water. Under federal definition USDWs are aquifers which contain water currently used for human consumption or which contain less than ten thousand milligrams per liter dissolved solids.

As described in state regulations, any underground water being used for drinking or domestic water or any underground water less than ten thousand milligrams per liter of total dissolved solids which has not been exempted, is a source of drinking water and is protected as such. However, after notice and opportunity for public hearing, the Commission may designate, identify, and describe in geographic or geometric terms, or both, which are clear and definite exempted aquifers or parts thereof using the following criteria:

- 1. It does not currently serve as a source of drinking water.
- 2. It cannot now and will not in the future serve as a source of drinking water because:
 - a. It is mineral, hydrocarbon, or geothermal energy producing.
 - b. It is situated at a depth or location which makes recovery of water for drinking water purposes economically or technologically impractical.
 - c. It is so contaminated that it would be economically or technically impractical to render that water fit human consumption; or
 - d. It is located over a Class III well mining area subject to subsidence or catastrophic collapse; or
- 3. The total dissolved solids content of the groundwater is more than three thousand and less than ten thousand milligrams per liter, and it is not reasonably expected to supply a water system.

Other than EPA approved aquifer exemption expansions that meet the criteria for exempted aquifers, new aquifer exemptions shall not be issued for Class VI injection well activities. Even if an aquifer has not been specifically identified by the Director, it is an underground source of drinking water if it meets the definition.

Upon approval of the Class VI revision of the existing section 1422 UIC program the Commission will require any owner or operator applying to inject carbon dioxide for the purpose of geologic storage to obtain a permit. Permit applications will be reviewed by the Commission and issued in accordance to NDCC 38-22 and NDAC 43-05-01. The owner or operator must apply for a storage facility permit, then a permit to drill (deepen, convert, or reenter), and then a permit to operate an injection well. As a permitting requirement all Class VI injection wells must demonstrate and maintain mechanical integrity. The storage facility permit application

requirements include, but are not limited to, a technical evaluation, an area of review and corrective action plan, a demonstration of financial responsibility, an emergency and remedial response plan, a proposed casing and cementing program, a testing and monitoring plan, a plugging plan, and a post-injection site care and facility closure plan. After a permit is issued, any phase of the geologic sequestration project may be inspected for compliance by the Commission's authorized agents. Injection activities may not commence until construction is complete, a permit to operate has been approved by the Commission, and the storage facility is in compliance.

Compliance monitoring is the responsibility of the Commission. This monitoring will at a minimum include, on-site inspections conducted by the Commission and a review of operating and monitoring reports, submitted by the storage operator, for compliance.

If it is determined that the storage operator is in violation, appropriate enforcement action will be pursued by the Commission.

When a well is taken out of service it must be properly plugged or approved by the Commission as a monitoring well. Plugging regulations for Class VI wells are included in NDAC 43-05-01-11.5.

North Dakota citizens are encouraged to actively participate in program development and the storage facility permit process through public hearings and informational meetings.

III. AGENCY ORGANIZATION AND STRUCTURE

A. General Responsibilities

The Commission has the statutory authority to regulate Class II and Class VI injection well activities. Class II injection wells are administered through the 1425 UIC program and regulated under NDAC 43-02-5. Upon approval by EPA Class VI injection wells will be added to the existing 1422 UIC program and regulated by the Commission under NDCC 38-22 and NDAC 43-05-01.

B. Specific Responsibilities

North Dakota Industrial Commission, Department of Mineral Resources

The North Dakota legislature created the Industrial Commission in 1919 to conduct and manage, on behalf of the state, certain utilities, industries, enterprises and business projects established by state law. The members of the Commission are the Governor, the Attorney General, and the Agriculture Commissioner of the state. The Governor is the chairman, and a quorum for the transaction of business consists of the Governor and one additional member. The Attorney General serves as general counsel. One of the Industrial Commission's agencies is

the Department of Mineral Resources, which is made up of two divisions: the Oil and Gas Division and the Geological Survey.

The Oil and Gas Division has jurisdiction over the conservation of oil and gas in North Dakota. The Oil and Gas Division is responsible for the administration of state statutes and administrative rules regulating the drilling and plugging of wells, the restoration of drilling and production sites, the disposal of saltwater and oil field wastes, the spacing of wells, and the filing of reports on well location, drilling, and production. In addition to these responsibilities and upon EPA approval the Oil and Gas Division will administer all regulatory authority of Class VI injection well activities. The Oil and Gas Division upholds duties guided by the principle that, while the state should promote oil and gas production, it should do so in a manner that prevents waste, maximizes economic recovery, and protects the rights of mineral owners to the end that the landowners, the royalty owners, the producers, and the general public realize the greatest possible good from these vital natural resources.

The North Dakota Geological Survey serves as the primary source of geological and map-related information in the state. It promotes better public understanding of the state's natural resources by creating, collecting, and disseminating geologic and map-related information, and it administers several regulatory programs as well as acting in an advisory capacity to other state agencies. Regulatory responsibilities include storing and curating oil-well core and samples and making these materials available for study at their core and sample library in Grand Forks, ND. The Geological Survey also regulates coal exploration, geothermal resources, subsurface minerals, Class III UIC injection well activities, and fossil resource protection.

North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas Division October 2011

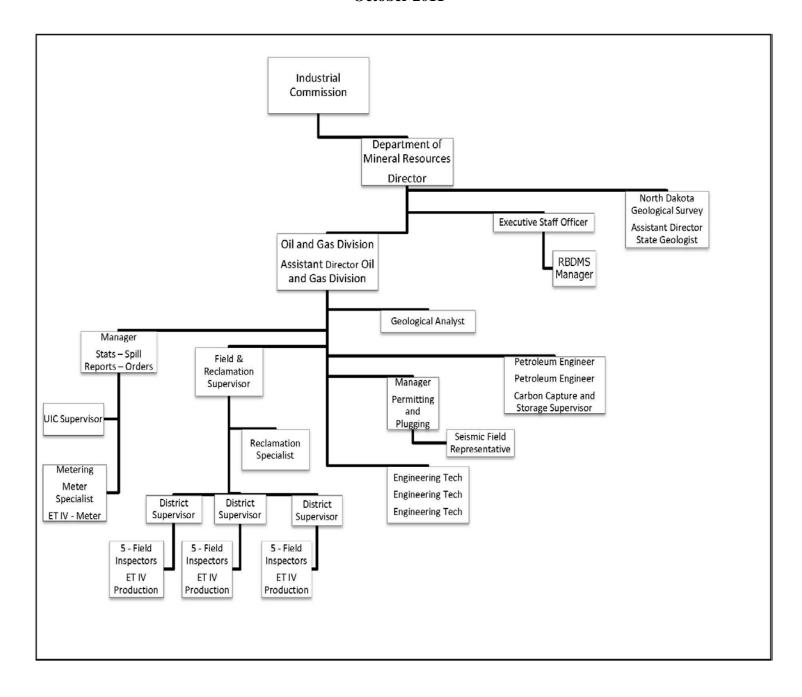


Figure 1. North Dakota Department of Mineral Resources, Oil and Gas Division Organizational Chart

IV. STATE UNDERGROUND INJECTION CONTROL PERMITTING PROCESS

A. Class VI Permit Hearing and Notice

- 1. The Commission shall hold a public hearing before issuing a permit.
- 2. Notice of the hearing must be published for two consecutive weeks in the official newspaper of the county or counties where the storage reservoir is proposed to be located and in any other newspaper the Commission requires. Publication deadlines must comply with Commission requirements.
- Notice of the hearing must be given to each mineral lessee, mineral owner, and pore space owner within the storage reservoir and within one-half mile of the storage reservoir's boundaries.
- 4. Notice of the hearing must be given to each surface owner of land overlying the storage reservoir and within one-half mile of the reservoir's boundaries.
- 5. Notice of the hearing must be given to any additional persons that the Commission requires.
- 6. Service of hearing notices required by this section must conform to personal service provisions in rule 4 of the North Dakota Rules of Civil Procedure.
- 7. Hearing notices required by this section must comply with deadlines set by the Commission.
- 8. Hearing notices required by this section must contain the information the Commission requires.

B. Permit Requirements

Before issuing a permit, the Commission shall find:

- 1. That the storage operator has complied with all requirements set by the Commission.
- 2. That the storage facility is suitable and feasible for carbon dioxide injection and storage.
- 3. That the carbon dioxide to be stored is of a quality that allows it to be safely and efficiently stored in the storage reservoir.
- 4. That the storage operator has made a good-faith effort to get the consent of all persons who own the storage reservoir's pore space.
- 5. That the storage operator has obtained the consent of persons who own at least sixty percent of the storage reservoir's pore space.
- 6. Whether the storage facility contains commercially valuable minerals and, if it does, a permit may be issued only if the Commission is satisfied that the interests of the mineral owners or

mineral lessees will not be adversely affected or have been addressed in an arrangement entered into by the mineral owners or mineral lessees and the storage operator.

- 7. That the proposed storage facility will not adversely affect surface waters or formations containing fresh water.
- 8. That carbon dioxide will not escape from the storage reservoir.
- 9. That substances that compromise the objectives of this chapter or the integrity of a storage reservoir will not enter a storage reservoir.
- 10. That the storage facility will not endanger human health nor unduly endanger the environment.
- 11. That the storage facility is in the public interest.
- 12. That the horizontal and vertical boundaries of the storage reservoir are defined. These boundaries must include buffer areas to ensure that the storage facility is operated safely and as contemplated.
- 13. That the storage operator will establish monitoring facilities and protocols to assess the location and migration of carbon dioxide injected for storage and to ensure compliance with all permit, statutory, and administrative requirements.
- 14. That all nonconsenting pore space owners are or will be equitably compensated.

C. Permit Consultation

Before issuing a permit, the Commission shall consult the state Department of Health

D. Amalgamating Property Interests

If a storage operator does not obtain the consent of all persons who own the storage reservoir's pore space, the Commission may require that the pore space owned by nonconsenting owners be included in a storage facility and subject to geologic storage.

E. Certificate

When the Commission issues a permit it shall also issue a certificate stating that the permit has been issued, describing the area covered, and containing other information the Commission deems appropriate. The Commission shall file a copy of the certificate with the county recorder in the county or counties where the storage facility is located.

F. Storage Facility Permit

The owner or operator applying for a proposed geologic sequestration project must first apply for a storage facility permit. The storage facility permit application must include the following information:

- 1. A site map showing the boundaries of the storage reservoir and the location of all proposed wells, proposed cathodic protection boreholes, and surface facilities within the carbon dioxide storage facility area;
- 2. A technical evaluation of the proposed storage facility;
- 3. The extent of the pore space that will be occupied by carbon dioxide as determined by utilizing all appropriate geologic and reservoir engineering information and reservoir analysis, which shall include various computational models for reservoir characterization, and the projected response of the carbon dioxide plume and storage capacity of the storage reservoir. The computational model must be based on detailed geologic data collected to characterize the injection zones, confining zones, and any additional zones.
- 4. An emergency and remedial response plan;
- 5. A corrosion monitoring and prevention plan;
- 6. A leak detection and monitoring plan;
- 7. Proposed well casing and cementing program;
- 8. An area of review and corrective action plan;
- 9. A demonstration of financial responsibility;
- 10. A testing and monitoring plan;
- 11. A plugging plan; and
- 12. A post-injection site care and facility closure plan

G. Class VI Injection Well Permit to Drill

Following receipt of a storage facility permit, the storage operator shall obtain a permit to drill, deepen, convert, operate, or, upon demonstration of mechanical integrity, reenter a previously plugged and abandoned well for storage purposes.

Application for permit to drill, deepen, convert, operate, or reenter a well must include at a minimum:

- 1. A plat certified by a registered surveyor showing the location of the proposed injection well;
- 2. The drilling, completion, or conversion procedures;
- 3. A well bore schematic:
- 4. A geophysical log through the storage reservoir; and

5. The proposed pad layout.

H. Permit to Operate a Class VI Injection Well

Within 30 days after the conclusion of well drilling and completion activities, a permit application shall be submitted to operate an injection well and must include at a minimum:

- 1. A schematic diagram of the surface injection system and its appurtenances;
- 2. A final well bore diagram;
- 3. The well's complete dual induction log or equivalent log through the storage reservoir;
- 4. An affidavit specifying the chemical constituents of the carbon dioxide stream other than carbon dioxide and their relative proportions and the source of the carbon dioxide stream;
- 5. A cement bond log showing that the long string casing is cemented adequately so the carbon dioxide is confined to the storage reservoir;
- 6. The results of the mechanical integrity test;
- 7. The final area of review:
- 8. Information on the compatibility of the carbon dioxide stream with the fluids in the injection zone;
- 9. The results of the formation testing program;
- 10. The status of the corrective action on wells in the area of review;
- 11. All available logging and testing program data on the well; and
- 12. Any updates to the proposed plans required in the storage facility permit.

I. Mechanical Integrity

A Class VI injection well has mechanical integrity if there is no significant leak in the casing, tubing, or packer; and there is no significant fluid movement into an underground source of drinking water through channels adjacent to the well bore. To evaluate the absence of significant leaks the storage operator shall, following an initial annulus pressure test, continuously monitor injection pressure, rate, injected volumes, pressure on the annulus between tubing and long-string casing, and annulus fluid volume.

At least annually, the storage operator shall use an approved tracer survey or a temperature or noise log to determine the absence of significant fluid movement.

The Commission may require alternative and additional methods to evaluate mechanical integrity. Also, the Commission may allow the use of a test to demonstrate mechanical integrity

other than those listed above with the written approval of the Administrator. To obtain approval for a new mechanical integrity test, the Commission must submit a written request to the EPA Administrator setting forth the proposed test and all technical data supporting its use. The EPA Administrator may approve the request if he or she determines that it will reliably demonstrate the mechanical integrity of wells for which its use is proposed. Any alternate method approved by the Administrator will be published in the Federal Register and may be used in all States in accordance with applicable State law unless its use is restricted at the time of approval by the Administrator.

To evaluate mechanical integrity, the storage operator shall apply methods and standards generally accepted in the industry. When the storage operator reports the results of mechanical integrity tests to the Commission, the storage operator shall include a description of the test and the method used. In order to properly evaluate mechanical integrity the Commission must review monitoring and other test data submitted since the previous evaluation.

The Commission may require additional or alternative tests if the results presented by the storage operator are not satisfactory to the Commission to demonstrate mechanical integrity.

J. Plugging

Prior to granting approval for well plugging, the storage operator is required to flush the well with a buffer fluid, determine the bottomhole reservoir pressure, and perform a final external mechanical integrity test. The storage operator shall comply with the Commission approved plugging plan, required as part of the storage facility permit. The plugging plan must include the following:

- 1. Appropriate tests or measures for determining bottomhole reservoir pressure;
- 2. Appropriate testing methods to ensure external mechanical integrity;
- 3. The type and number of plugs to be used;
- 4. The placement of each plug, including the elevation of the top and bottom of each plug;
- 5. The type, grade, and quantity of material to be used in plugging. The material must be compatible with the carbon dioxide stream; and
- 6. The method of placement of the plugs.

K. Certificate of Project Completion

- 1. After carbon dioxide injections into a reservoir end and upon application by the storage operator, the Commission shall consider issuing a certificate of project completion.
- 2. The certificate may only be issued after public notice and hearing. The Commission shall establish notice requirements for this hearing.

- 3. The certificate may only be issued after the Commission has consulted with the state Department of Health.
- 4. The certificate may not be issued until at least ten years after carbon dioxide injections end.
- 5. The certificate may only be issued if the storage operator:
 - a. Is in full compliance with all laws governing the storage facility.
 - b. Shows that it has addressed all pending claims regarding the storage facility's operation.
 - c. Shows that the storage reservoir is reasonably expected to retain the carbon dioxide stored in it.
 - d. Shows that the carbon dioxide in the storage reservoir has become stable. Stored carbon dioxide is stable if it is essentially stationary or, if it is migrating or may migrate, that any migration will be unlikely to cross the storage reservoir boundary.
 - e. Shows that all wells, equipment, and facilities to be used in the postclosure period are in good condition and retain mechanical integrity.
 - f. Shows that it has plugged wells, removed equipment and facilities, and completed reclamation work as required by the Commission.

6. Once a certificate is issued:

- a. Title to the storage facility and to the stored carbon dioxide transfers, without payment of any compensation, to the state.
- b. Title acquired by the state includes all rights and interests in, and all responsibilities associated with, the stored carbon dioxide.
- c. The storage operator and all persons who generated any injected carbon dioxide are released from all regulatory requirements associated with the storage facility.
- d. Any bonds posted by the storage operator must be released.
- e. Monitoring and managing the storage facility is the state's responsibility to be overseen by the Commission until such time as the federal government assumes responsibility for the long-term monitoring and management of storage facilities.

7. Monitoring and managing the storage Facility:

- a. Upon issuance of project completion the commission is responsible for the monitoring and managing of the storage facility.
- b. The state is responsible for the continued the long-term monitoring of the site until the geologic sequestration project no longer poses an endangerment to USDW or until the federal government assumes responsibility.

8. Facility Closure:

a. The state is responsible for the plugging and abandonment of all remaining monitoring wells. It is the state obligation to assure that these monitoring wells will be plugged in a manner which will not allow for movement of injection or formation fluids that endanger USDW.

V. STATE COMPLIANCE MONITORING PROGRAM

A. Plan Review

The Commission must verify that the storage facility construction, completion, operation, maintenance, and closure procedures are performed according to approved plans and specifications, and meet all permit or regulation requirements.

Verification of injection well activities is accomplished by reviewing appropriate plans and reports, performing on-site inspections, responding to complaints, and, where necessary, referring noncompliance to legal counsel for appropriate enforcement action.

Review of plans and reports may include but are not restricted to:

- 1. Revisions to construction plans filed after permit issuance.
- 2. Well completion reports including results of required logging and other testing.
- 3. Results of injectivity and pump tests, mechanical integrity tests, and any other required tests.
- 4. Bottomhole pressure reports and updated evaluations of the effects of injection on the injection zone, including fluid volume, injection rate, and injection pressure data.
- 5. Work over plans and work over reports describing construction or maintenance.
- 6. Revisions to plugging plan and reports of completion of plugging, and other site closure activities.
- 7. Any other plans or test results connected with the proper construction, operation, and maintenance of the well and associated surface facilities.

B. Site Inspections

Site inspections to verify or witness construction, operation, and maintenance procedures may be conducted as necessary when certain construction operations begin, or in response to a compliant or other indication that a problem may exist. Construction elements and testing that may be witnessed or supervised by the Commission and it authorized agents, include:

1. Setting and cementing surface casing.

- 2. Cementing long string casing.
- 3. Well logging and coring operations.
- 4. Pressure testing of tubing and casing.
- 5. Formation pressure tests, injectivity tests, or pump tests.
- 6. Installation and maintenance of instrumentation.
- 7. Work required by any corrective action plan.
- 8. Well workovers.
- 9. Placement of monitoring wells or other equipment.
- 10. Any plugging procedures.
- 11. Mechanical Integrity testing.

Geologic Storage Facilities will be inspected at any time by the Commission and its authorized agents.

C. Complaints

Complaints alleging improper construction, completion, operation, or maintenance at a storage facility will be investigated by the Commission. Response to complaints may consist of:

- 1. Establishing the nature and authenticity of the complaint.
- 2. Reviewing appropriate Oil and Gas Division files.
- 3. Establishing contact with the operator to verify the complaint and discuss corrective action.
- 4. Performing a site inspection to determine if a problem exists.
- 5. Referring the complaint, after verification through appropriate investigation and documentation to legal counsel.

D. Monitoring Program

The compliance monitoring program will be handled by the Commission for all Class VI injection well activities. The objective of the monitoring program is to verify attainment of and maintain compliance with provisions of the permits, rules, and any other additional permit stipulations. The objectives are achieved by:

- 1. Conducting inspections of injection well facilities.
- 2. Reviewing self-reporting, monitoring, record keeping, and certain operating and maintenance activities.
- 3. Investigating unauthorized injection activities and unauthorized facilities.

- 4. Participation in appropriate water quality sampling programs.
- 5. Responding to citizen complaints.

Site inspections will be conducted by the Commission. The inspections will be conducted at the discretion of the Commission for all permitted carbon dioxide storage facilities in order to:

- 1. Determine the probability of a violation and indicate problems that may be causing or lead to violations.
- 2. Assist in identification of existing problems or prevent potential problems from developing.
- 3. Update the Commission records on the facility and verify operational procedures.
- 4. Maintain a regulatory presents with the storage operator and all landowners impacted by the geologic sequestration project.

E. Annual Inspections

- 1. Observations of injection site, facilities, and monitoring wells.
- 2. Review of records to determine history of performance and compliance.
- 3. Evaluation of the operation and maintenance of the storage facility.
- 4. A review of all Class VI permit conditions.
- 5. A review of all site specific permit conditions.

F. Compliance Inspections

Compliance follow-up inspections may be conducted at any time to:

- 1. Determine existence of a violation.
- Provide basis for enforcement action.
- 3. Define type of violation.
- 4. Provide data to assist in determining cause of violation.

Site inspections and examination of storage operator records will be conducted under the authority of NDCC 38-22-03 and NDAC 43-05-01-04.

VI. NORTH DAKOTA ENFORCEMENT PROCEDURES

Any person violating Chapter 38-22 of the North Dakota Century Code or Chapter 43-05-01 of the North Dakota Administrative Code, any condition of a permit, or any rule or order of the Commission is subject to enforcement action. The Commission is responsible for initiating, pursuing, and resolving formal enforcement actions.

Prior to taking formal enforcement action the Commission may:

- 1. By means of written correspondence an alleged violator will be notified of deficiencies and may require corrective action.
- 2. The Commission will draft and issue a notice of violation to the alleged violator.

Formal enforcement proceedings may include:

- 3. Issuance of a letter detailing recommendations for corrective action and establishing a compliance period in which action will be taken.
- 4. Issuance of an administrative order by the Commission specifying corrective action and compliance schedule.
- 5. Signing of a stipulation between the Commission and the alleged violator establishing a compliance schedule for corrective action.
- 6. Conducting an administrative hearing (formal or informal) pursuant to NDCC 38-22 and NDAC 43-05-01.
- 7. All enforcement proceedings may result in amendment, revocation, or suspension of any permit issued under authority of the Underground Injection Control program.

If further enforcement action is required:

8. The state may seek civil penalty up to \$12,500 a day under NDCC 38-22-18.

Overall enforcement strategy of the Commission is based on the following concerns:

<u>Priority No. 1</u>: Remove any potential pollution problem as soon as possible.

<u>Priority No. 2</u>: Prevent such problems from causing any further damage.

<u>Priority No. 3</u>: Ensure that proper corrective or cleanup actions are taken.

<u>Priority No. 4</u>: Ensure that same type of violation will not occur again.

Priority No. 5: Seek civil penalty for violation.

The Commission will attempt to handle all minor violations through informal means or through use of correspondence between technical staff and the alleged violator. The Commission along with the state Department of Health will have, as its main concern, those violations which may have significant effects on the environment of the state of North Dakota and which may endanger valuable resources, such as underground sources of drinking water.

VII. Reports

The owner or operator must submit all required reports, submittals, and notifications under NDAC 43-05-01 to EPA in an electronic format approved by EPA, as required under NDAC 43-05-01-18 subsection 3.	